

County Trends



Sevier

September 2003

A Local Economic Perspective

Taking a Turn for the Worse. . .

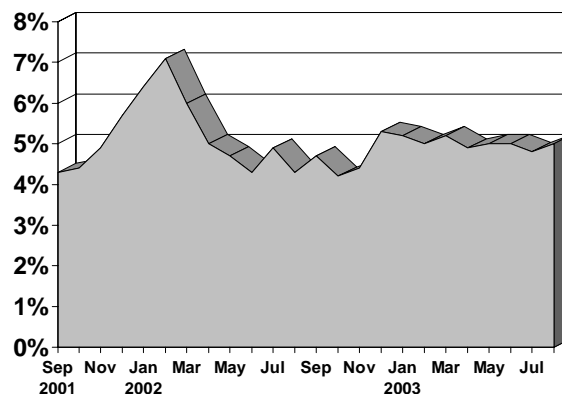
Sevier County plowed its way through much of the national recession, still managing to create jobs. However, the county started 2003 with job losses. We're not talking major declines, but declines nonetheless. In addition, the county saw its sales decline during the first quarter of 2003. On the other hand, unemployment seems to have plateaued at a rate near the state average. And, there is a bright spot—construction permitting skyrocketed.

Where did the Jobs Go?

Between the first quarters of 2002 and 2003, Sevier County's nonfarm jobs decreased by about 1 percent. This 50-job loss is by no means huge. But, it marks a departure from a yearlong trend of growth—even if that growth was somewhat tepid. Unfortunately, the losses got larger as the year advanced.

Where did these job losses come from? The goods-producing industries were particularly hard hit. Mining, construction, and manufacturing all took employment blows. They were joined in these declines by retail trade, professional/business services, accommodation/food services and gov-

Seasonally Adjusted Sevier County Unemployment Rates

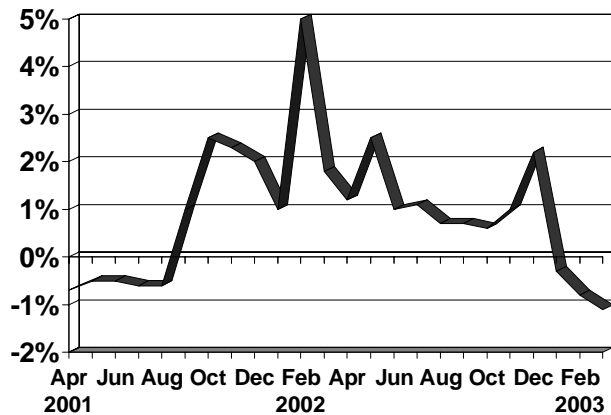


Source: Utah Department of Workforce Services.





Year-Over Change in Sevier County Employment



Source: Utah Department of Workforce Services.

To the Point

Sevier County reversed its previous trend of (albeit slow) job growth during the first quarter of 2003. Overall employment losses were small, but broad-based. Sales also slid into negative territory. Fortunately, construction surged, which should bring some relief to other areas of the economy in the months ahead.

ernment. In the public sector, higher education and public education experienced the bulk of the loss.

Pockets of growth were few and far between. A substantial expansion in transportation employment kept the losses from appearing even worse. Health care/social services contributed a number of new positions, but the other additions were minor.

The unemployment rate in Sevier County has remained remarkably placid. This rarely happens in a small county even in unturbulent times. This suggests workers are finding employment outside the county or have left the labor market altogether.

In August 2003, unemployment measured 5.0 percent—on par with the state average (5.1 percent) and noticeably below the national average (6.1 percent).

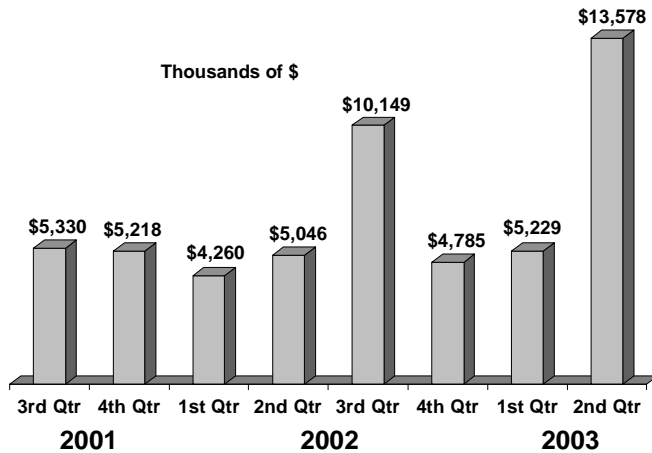
Construction Shines

Construction permitting figures provide a stark contrast to the rather disappointing job news. Between the second quarters of 2002 and 2003, authorized construction values rose 170 percent. Combined with healthy first quarter figures, construction values doubled for the first half of 2003.

Second quarter's outstanding numbers can be traced to a huge increase in the value of nonresidential permits—particularly the permit for a large, well-known retail store. In addition, permitting for nonresidential renovations/additions rose substantially.

Total Sevier County Approved Construction Values

3



Source: Utah Bureau of Economic & Business Research.

But, don't count home building out. Even though the number of permits authorized dropped slightly from second quarter 2002 to second quarter 2003, the value of the permits rose by 50 percent.

Sales Slip

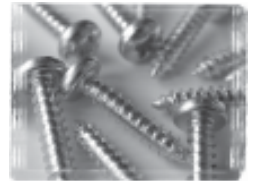
Gross taxable sales followed employment's lead. After a year's worth of growth, first quarter 2003 figures are down 2 percent from the previous year. Of course, sales should receive a sizable shot in the arm when the new WalMart comes on line.

Sales in the retail trade industry remained virtually flat, while services industry sales dropped by almost 10 percent, nudging the total sales figures downward.

The Next Step

Sevier County's economy seems to have entered an era of uncertainty. Job and sales growth have currently evaporated, but will probably improve in the months ahead based on upcoming events and the trends in construction.

Lecia Parks Langston, Regional Economist
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Quick Facts

August 2003

Unemployment Rate

Sevier County	5.0%
Utah	5.1%
U.S.	6.1%

Mar 2003 Change from Previous Year

Job Growth

Sevier County	2.2%
Utah	-0.1%
U.S.	-0.3%

2nd Qtr 2003 Change from Previous Year

Construction Values

Sevier County	169.1%
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1st Qtr 2003 Change from Previous Year

Sales

Sevier County	-2.4%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

For more economic information about Sevier County see:
<http://jobs.utah.gov/wi/regions/county.asp>

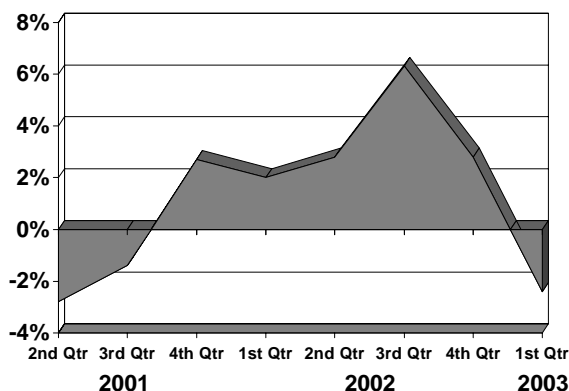
State of Utah

Utah Department of Workforce Services

140 East 300 South
PO Box 45249
Salt Lake City, UT 84145-0249

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Year-Over Change in Sevier County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up?

- Construction on a planned \$1.5 million bike path in southern Sevier County is expected to begin this year. The path is now scheduled to be constructed on a right-of-way owned by Utah Power, the Bureau of Land Management, Timberline Properties, Waterfall Consultants, Soda Fountain and Seven Peaks Lodging in the north end of Marysvale Canyon.
- Bids totaling \$956,291 for three major downtown projects have been awarded by the Richfield City Council.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/western/sevier/sevieree.pdf>



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